

RESIDENTIAL BALANCED BILL PAYMENT PLAN

AVAILABILITY

This is a payment plan available on a voluntary basis, at Company's sole option, to customers served on Residential Service Schedule RES. To qualify, Customer must have resided at the current dwelling unit and have kilowatt-hour (kWh) usage history for twenty-four (24) consecutive months, must have a consistent usage pattern that supports an accurate forecast of future consumption, and must have demonstrated a satisfactory payment record. Company reserves the right, at its sole option, to offer this plan to customers with a minimum of twelve (12) months' usage history.

MONTHLY BILLING

Company will estimate monthly kWh usage for the ensuing twelve (12) month period based upon Customer's previous historical metered usage, adjusted to reflect normal weather and for an expected increase in usage of up to 5.8%. Billing at Customer's expected monthly usage will be calculated on Company's Schedule RES. The resulting sum of the expected monthly bills, plus a risk factor of 4.4%, will be divided by 12 and a \$1.00 per month administrative fee will be added to establish the Balanced Bill monthly charge. The Balanced Bill monthly charge will be paid in lieu of the normal monthly charges for actual kilowatt-hours used as calculated on Schedule RES. No reconciliation to billing under Schedule RES for actual consumption is applicable at the end of the Contract Year.

The Balanced Bill monthly charge will not include usage or charges for additional services including, but not limited to, area lighting or other charges, but will include any discounts received under Company's Residential Service Energy Conservation Discount Rider RECD, if applicable. The provisions of Residential Service Schedule RES are modified only as shown herein.

CONDITIONS OF CUSTOMER PAYMENT PLAN OFFER

Company shall provide to Customer the Balanced Bill monthly charge and the minimum, maximum, and average monthly charge for the previous 24 months. For existing Balanced Bill customers, Company shall provide, at its sole option, an offer to renew that includes the renewal Balanced Bill monthly charge and the minimum, maximum and average monthly charge if service had been rendered under standard payment options during the previous 24 months.

CONTRACT PERIOD

Service under this payment plan shall commence with the first billing period of the Contract Year for a minimum one-year term, renewable annually at the option of both parties. A new Balanced Bill contract and amount will commence each successive Contract Year unless terminated by Customer or Company.

TERMINATION PROVISIONS

Customer may terminate this payment plan at the end of any Contract Year at no charge. Company may terminate this payment plan if Customer's actual usage in any of three consecutive months in the contract year exceeds the estimated usage by 30% or more or for any other violation of this plan. If this payment plan is terminated by Customer or Company at any time during a Contract Year and Customer continues service at the same location, Customer will be charged a \$30 termination fee and this payment plan will not be available to Customer at this premise for twelve months thereafter. If Customer ceases to receive service at the same location, no termination fee will be charged.

Effective for bills rendered on and after March 1, 2004
SCPSC Docket 2004-29-E, Order No. 2004-85